

National Infrastructure Protection Center NIPC Daily Open Source Report for 12 February 2003



Daily Overview

- USA Today reports gasoline prices could quickly exceed \$2 a gallon in some places this spring, regardless of whether the USA goes to war with Iraq. (See item_3)
- Reuters reports severe drought on the North American prairie is forcing big hydroelectric utilities to scramble for replacement power, pushing electricity prices to more than twice year—ago levels. (See item 4)
- New York's NewsChannel 4 reports after an investigation that several Internet sites advertise and produce quality fakes ID's, and some even offer a choice of Social Security cards, local community identification, and forged licenses. (See item <u>21</u>)
- The NIPC has released Advisory 03–002: National Infrastructure Protection Center "Encourages Heightened Cyber Security as Iraq US Tensions Increase." (See item 23)
- Note from the Editor: As of 3 February, the NIPC Daily Open Source Report is being distributed through a new list service. While significant effort has been done to ensure smooth transition, problems are bound to occur. Please notify nipcdailyadmin@mail.nipc.osis.gov with any comments, concerns, questions, or problems.
- Note from the Editor: Both the PDF and Word versions of the daily are posted to the NIPC Web Site at http://www.nipc.gov/dailyreports/dailyindex.htm

NIPC Update Fast Jump

Production Industries: Energy; Chemical; Defense Industrial Base

Service Industries: Banking and Finance: Transportation: Postal and Shipping

Sustenance and Health: Agriculture; Food; Water; Public Health

Federal and State: Government; Emergency Services

IT and Cyber: Information and Telecommunications; Internet Alert Dashboard

Other: General; NIPC Web Information

Energy Sector

Current Electricity Sector Threat Alert Levels: Physical: High, Cyber: High

Scale: LOW, GUARDED, ELEVATED, HIGH, SEVERE [Source: ISAC for the Electricity Sector (ES-ISAC) - http://esisac.com]

- 1. February 11, New York Times Oil companies said to balk on production. Despite the last few years of robust oil prices, many of the largest oil and gas companies are hesitant to greatly increase their investments in oil production because they fear volatile prices in the future, according to a study by Cambridge Energy Research Associates. The hesitancy comes just as the oil industry begins to grapple with a host of challenges over the next seven years in nearly every realm, from drilling for oil to shipping and refining it, the study says. And if such caution continues, the study's authors warn, world markets could face possible shortages and the companies could face lower returns on future projects. These days, world oil markets are nervously reacting to changing politics, the most obvious cause of instability. The general strike in Venezuela and the growing probability of war in Iraq have lifted oil prices to about \$35 a barrel from \$25 to \$26 a barrel in November. (Crude oil for March delivery fell 64 cents, or 1.8 percent, to \$34.48 a barrel in New York today.) Yet even without war, oil prices have been far more unstable over the last four years â€" starting with a collapse in prices in late 1998 â€" than through most of the preceding decade. And that has rattled the oil industry, which craves stability to plan projects that take years to complete, according to the report's authors and other industry analysts. The report points out, for example, that Canada and the countries of the former Soviet Union have the vast proven oil reserves to contribute many more barrels to the world market. But obtaining more oil from those countries may become more difficult. In Canada, possible shortages of natural gas needed to upgrade the viscous but plentiful oil from Alberta might slow production, the report notes. Already in Russia, large companies like Yukos are complaining that the Russian government's unwillingness to expand the state-controlled pipeline system, or approve private networks, will soon lead to serious bottlenecks in oil exports. Source: http://www.nytimes.com/2003/02/11/business/11PLAC.html
- 2. February 11, Platts Global Energy News Nigerian energy officials in talks to stave off strike. Nigeria's Department of Petroleum Resources has held talks with oil workers' unions in an effort to stave off a strike called for Friday, an official with the Lagos-based DPR said Tuesday. Senior representatives from the white-collar union, Pengassan, met with the DPR director Malcolm Ofurhie Monday and union chiefs have also written a letter to presidential advisor on petroleum, Rilwanu Lukman, airing their grievances, the official said. "After the meeting, the director said some of the issues would be not possible to resolve before Friday and I think the union is aware of that. We hope they will postpone their action," he said. Pengassan, with members drawn from multinationals, state—owned NNPC and the DPR, have threatened to shut down export terminals in a row over work and pay conditions. In its letter to Lukman, Pengassan calls for more funding and all outstanding staff entitlements within the DPR to be paid.

Source: http://www.platts.com/stories/home1.html

3. February 11, USA Today — Gas prices could go above \$2. Gasoline prices could quicky exceed \$2 a gallon some places this spring, regardless of whether the USA goes to war with Iraq. Already, U.S. prices are the highest in 20 months as oil traders worry that war would halt Iraqi production and create shortages. AAA reported an average \$1.571 a gallon for regular grade Monday. The government's Energy Information Administration reported \$1.607. The highest were California at \$1.759 and Hawaii at \$1.85, AAA said. Those prices are

45 to 50 cents higher than a year ago, when supplies of oil and gasoline were plentiful. **Driving U.S. gasoline prices up: Increased demand. Americans are driving more and flying less, Saunders notes. Decreased production. Unusually cold weather has kept refiners making more heating oil and less gasoline. Supply interruption. Not only is the USA not getting oil from Venezuela, it's also exporting 80,000 barrels of gasoline a day to Venezuela, Saunders says.**

Source: http://www.usatoday.com/money/economy/2003-02-10-oil x.htm

4. February 10, Reuters — Drought hits power price on North American prairie. Severe drought on the North American prairie is forcing big hydroelectric utilities to scramble for replacement power, pushing electricity prices to more than twice year-ago levels. The situation is especially harsh in Canada, drying up the usual flow of megawatts sent south into the United States. The Western Area Power Administration, a U.S. agency that runs a vast hydro system in the western states, has been forced to buy higher-cost power from coaland natural gas-fired plants to meet supply commitments to municipal utilities, irrigation districts, Indian tribes and other customers, said LaVerne Kyriss, WAPA spokesperson. The snowpack in Montana that provides most of the water that flows through WAPA's hydro plants on the upper Missouri River is only at 58 percent of normal and reservoir storage levels in the state are below average, Kyriss said. The agency's Missouri River hydro system, which has the capacity to generate electricity for about 2.8 million homes, is a key part of a power market -- Mid-Continent Area Power Pool -- extending from Nebraska and Iowa north through the Dakotas and Minnesota and into Canada's Saskatchewan and **Manitoba provinces.** The drought in this region — along with sharply higher gas prices and strong demand for electricity in a bitterly cold winter — has pushed wholesale power prices to about \$60.00 a megawatt hour Monday from \$21 a year earlier. A megawatt hour is one megawatt of electricity delivered for 60 minutes. There are some signs, however, that the drought may ease.

Source: http://hsweb01.screamingmedia.com/PMA/pma newsarticle1 national.htm?SMDOCID=reuters pma 2003 02 10 eng-reuters pma DROUGHT-HITS-POWER-PRICE-ON-NORTH-AMERICAN-PRAIRIEa>

5. February 09, Jiji Press English News Service — Tokyo Electric plans to reactivate N-plants in March. Tokyo Electric Power Co. is considering reactivating some of its nuclear power reactors in March if it can obtain consent from local governments, company officials said Sunday. Since a scandal involving its submission of false maintenance data to the government came to light last year, the company has suspended power generation at 12 of its 17 reactors in Fukushima and Niigata Prefectures. It has been conducting safety checks on the 12 reactors and plans to freeze operation of the remaining five by mid-April for similar examinations. If Japan's biggest power company completely stops nuclear power generation, however, it may become unable to meet electricity demand in the spring and summer seasons. To avoid power supply shortage, Tokyo Electric Power considers resuming operations of nuclear reactors after the government confirms their safety. The company plans to first reactivate a 780,000-kilowatt reactor at its Fukushima No. 1 plant in late March, the officials said.

Source: http://pro.energycentral.com/professional/news/power/news ar ticle.cfm?id=3634

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Chemical Sector

Nothing to report.

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Defense Industrial Base Sector

Nothing to report.

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Banking and Finance Sector

6. February 11, New York Times — Charity leader accepts a deal in terror case. The director of one of America's largest Muslim charities, a man depicted by federal prosecutors as a crucial financier for Osama bin Laden, struck an eleventh-hour plea agreement today without admitting any ties to al Qaeda or terrorism. In a surprise plea bargain, the director of the Chicago-based Benevolence International Foundation, Enaam M. Arnaout, admitted in court that he had illegally funneled donations to rebel fighters in Bosnia and Chechnya to pay for boots, tents and other military supplies in the 1990's. But prosecutors dropped six other charges in which he was accused of financing terrorism. Arnaout agreed to cooperate with prosecutors, and the authorities said they hoped his contacts with Afghan rebel groups in the 1980's would provide a roadmap to the roots of the al Qaeda network. But Arnaout, who has steadfastly denied any ties to al Qaeda, did not admit any ties to the terrorist network in his plea today. Prosecutors said they remained convinced that Arnaout — the only leader of an Islamic charity to be charged criminally since the Sept. 11 attacks — had helped to finance terrorism and viewed the case as a linchpin in their efforts to shut down al Qaeda's money pipeline. But the ambiguous outcome of the case, which left both sides claiming victory, underscored the difficulties that federal prosecutors face in trying to establish clear financial links between terrorists and their suspected backers in the United States.

Source: http://www.nytimes.com/2003/02/11/politics/11CHAR.html

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Transportation Sector

7. February 11, Washington Post — New security plans weigh on Maryland airports. The fate of three general—aviation airports in Prince George's County, Maryland grew bleaker Monday as the federal government imposed new security and flight rules on top of previous restrictions that had already prompted dozens of pilots to move their aircraft to fields farther from Washington. Three Transportation Security Administration workers — two passenger and pilot screeners and one aircraft inspector — were stationed at the College Park Airport, Potomac Airfield in Fort Washington and Washington Executive—Hyde Field in Clinton, but no planes took off, partly because of the intermittent snow drifting through the region. The rules, which took effect Monday, require general—aviation pilots using the three airports to file flight plans, be screened like passengers at commercial airports and then fly back on their

return trips, even if they stayed aloft for their entire flight, through Lee Airport in Annapolis for further security checks. TSA chief James M. Loy said Saturday that the new rules were necessary because "terrorists are known to favor targets in the transportation sector and to consider our civil aviation system an arsenal of improvised weapons. The Washington capital region is home to a number of particularly symbolic targets which must be protected." There are several general—aviation airports in the region, and under the new rules, pilots will be required to maintain two—way radio contact with air controllers in a 30—mile radius around Washington and additional aircraft—to—ground contact. But the extra TSA security checks were only added at the three closest—in airports, College Park, Hyde Field and Potomac Airfield, all of which are within 15 miles of downtown Washington, the FAA said.

Source: http://www.washingtonpost.com/wp-dyn/articles/A54165-2003Feb 10.html

8. February 11, Pioneer Press (Minnesota) — Random searches at airport begin. Responding to heightened fears of terrorist attacks, airport police will be randomly searching vehicles – especially large ones – headed to the Lindbergh and Humphrey terminals at Minneapolis—St. Paul International Airport. The checks should take no more than 60 to 90 seconds as police pop trunks and check cargo holds to look for explosives and other dangerous materials, said Tim Anderson, deputy executive director of operations for the Metropolitan Airports Commission. The vehicle searches are not in response to any specific threat targeting the airport, Anderson said. The federal Transportation Security Administration has directed all airports to increase security precautions, he said. Anderson would not comment on the frequency of the searches, which will continue indefinitely. He said travelers should give themselves a little extra time in planning airport trips in case their cars are searched. Drivers refusing searches will not be allowed to proceed, at least until bomb—sniffing dogs check out their vehicles. Though Anderson said the searches will be random, he acknowledged that SUVs, trucks and other vehicles that could pack large amounts of explosives will be more likely candidates for searches.

Source: http://www.twincities.com/mld/twincities/business/5150867.ht m

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Postal and Shipping Sector

9. February 11, Washington Post — With security in mind, Customs says cargo can wait. If you absolutely, positively have to have something shipped from abroad overnight, a counterterrorism rule that the U.S. Customs Service is considering may delay your delivery. Concerned about the security risks of allowing all kinds of cargo to arrive in the United States without knowing what it is, Customs wants air, rail and trucking companies to disclose the nature of the shipment as many as 12 hours before the goods are loaded. That would give authorities time to check on any suspicious shippers and order that the package not be allowed on board. Currently, air carriers send similar information to Customs when they take off, so the agency can inspect and confiscate suspicious items upon landing. Under the Trade Act of 2002, Congress told Customs that it has to come up with a final rule by Oct. 1 that would spell out how carriers must transmit their foreign cargo manifests electronically to Customs before the goods arrive in the United States. So, in a first, informal step to provoke discussion, the agency put out what it called a "straw man" proposal, stressing

that nothing has been decided. Informal or not, shippers are taking it seriously. Each of the industries is worried that it would have to install or upgrade computer systems, that just-in-time and overnight shipments would be disrupted and that goods might be pilfered because their shipping information would become too widely known. The main concern is the effect on businesses that are used to putting parcels on the plane minutes before takeoff. Carriers predict that factories that call for a replacement part at the last minute would be out of luck, demolishing the just-in-time inventory system and forcing them to stock more parts. In 2000, air carriers accounted for \$309 billion worth of import shipments, or 25 percent of the value of all merchandise coming into the country. Trucks carried \$216 billion; railroads, \$71 billion; and ocean liners, \$541 billion, according to the Transportation Department. U.S. Customs Commissioner Robert C. Bonner promised in an interview that the agency would not issue a rule "unless it meaningfully increases security and doesn't **impede trade."** He noted that seagoing vessels already are successfully complying with a new 24-hour rule and that the 6 million containers that come into U.S. ports annually won't be slowed by the new system. Air carriers fear that customers might choose to send their goods from overseas points to Canada, where they could be loaded on a truck for the trip south. This would sidestep the eight- or 12-hour reporting period suggested for commercial airlines and air courier services; the four-hour reporting requirement suggested for trucks would have elapsed while the plane was in the air.

Source: http://www.washingtonpost.com/wp-dyn/articles/A54551-2003Feb 10.html

10. February 10, Associated Press — Woman sentenced for mailing fake anthrax. A woman who participated in mailing 17 anthrax hoax letters — including two to President Bush — was sentenced Monday to 30 months in prison, officials said. The letters containing a white, powdery substance were mailed to local, state and federal officials at the height of the anthrax scare in fall 2001, authorities said. Rosemary Zavrel, 59, and Emily Forman, 27, mailed the letters and used two juveniles' names as the senders, seeking revenge for threats against Zavrel's son, U.S. Attorney Thomas A. Marino said. Last year, Zavrel was found guilty of aiding in and conspiring to mail threatening communications, and providing a false statement to a U.S. postal inspector. Forman previously pleaded guilty to similar charges and was sentenced to 14 months.

Source: http://www.washingtonpost.com/wp-dyn/articles/A53823-2003Feb 10.html

11. February 10, Press Telegram (California) — Port of Long Beach approves security initiative. The Port of Long Beach's Harbor Commission on Monday voted to join an initiative aimed at strengthening port and border security. Under the agreement, which the commission unanimously approved, the port will become a participant in the Customs—Trade Partnership Against Terrorism, or C—TPAT. C—TPAT, first unveiled in April 2002, is a joint government—business initiative to strengthen overall supply chain and border security via cooperative relationships. U.S. Customs announced last month that it would begin taking applications from domestic port authorities and marine terminal operators. Previously, the program had sought membership from importers, carriers, customs brokers and freight forwarders. Under the agreement, the Port of Long Beach undertakes to help communicate various security recommendations and guidelines to controllers of supply chain distribution. The port will also process and assist in the enhancement of security procedures within the supply chain.

Source: http://www.presstelegram.com/Stories/0,1413,204~21478~117122 2,00.html

12. February 10, WBALChannel.com — Port of Baltimore takes safety precautions. Last week, Baltimore Mayor Martin O'Malley warned that the city's ports are not safe from attack. But on Monday, a special new tool was unveiled to help keep the waterways safe. Citing vulnerabilities at Baltimore's port, Rep. Ben Cardin, D-District 3, has been instrumental in getting the Vehicle and Cargo Inspection System (VACIS) immplented at the Port of Baltimore. "We've been asking for this equipment for a long time. It's a matter of priorities, and we've been able to make the point, that the Port of Baltimore — the closest major port to the nation's capital — should have a priority on funding. We should've had it before now. Thank goodness we have it now," Cardin said. The VACIS system looks like an everyday utility truck with an arm, or boom, attached to it that acts like an X-Ray to scan the contents inside. The systems can work two ways. Either the VACIS truck can stay stationary, letting cargo drive through it, or the truck can drive past the cargo, allowing the VACIS system to pass over the cargo. VACIS helps the port crews because inspectors can only inspect eight containers per hour. VACIS also supports an automated targeting system in place to determine which cargo container gets inspected. "It allows us to look at the entry and manifest data prior to its arrival. So when a ship pulls up, we know which containers we're interested in and can schedule the right number of people and the right equipment to do that inspection," Port Director James Engelman said. But obtaining the system hasn't been easy. The VACIS trucks cost millions of dollars and require months to build. Source: http://www.thewbalchannel.com/news/1968681/detail.html

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Agriculture Sector

Nothing to report.

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Food Sector

Nothing to report.

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Water Sector

13. February 12, Wilson County News — BexarMet recruits customers for community watch program. The Bexar Metropolitan Water District initiated its citizen watch program February 3rd by calling on customers who live close to water facilities to be on alert to report any suspicious activity. Designated as "Operation Eagle CLAW" (Citizens Looking After their Waterworks), BexarMet customers who live near water facilities will be asked to keep a watchful eye on any unusual activity in their area. Participants will be asked to call a BexarMet dispatcher any time of the day or night when they observe suspicious activity around a water facility. When calling in to BexarMet dispatchers, individuals will be asked to provide an address so the dispatcher can identify the facility in question, along with a description of what they have observed, and a call back number. Pablo and Angelita Gallegos were the first

volunteers. They live near a water storage tank and see the program as a good step forward. "We're here all the time," said Pablo Gallegos, "and whenever I see something, I'll call because we like to help." Customers of BexarMet who live near water facilities will receive a letter requesting their assistance. The letters will outline the program and identify situations when residents should call 911 or BexarMet dispatchers. In addition, these volunteers will be given magnets with the phone number of BexarMet dispatchers. "Many municipal and county law-enforcement officers across our service area have responded positively and enthusiastically to our Eagle CLAW program," said Martin Kufus, security manager for BexarMet. "They see it as an opportunity to increase awareness with more watchful eyes to assist security enforcement. It is a program to give our customers more assurance and very good use of citizen participation."

Source: http://www.wilsoncountynews.com/default.asp?sourceid= 1etail=1810=>

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Public Health Sector

14. February 11, ABC News (Australia) — At least five killed, 300 more hit by mystery disease in China. A mysterious lung virus has killed five people among a total of 305 known cases in southern China, officials said Tuesday amid a growing health panic in the region. The top leader of Guangdong province, Zhang Dejiang, ordered the provincial health department to set up an emergency experts group to probe the causes and sources of the unknown strain of pneumonia that first appeared some two months ago, Guangdong Department of Health officials said. The Government also urged immediate measures to curb the disease which has been officially termed an "atypical pneumonia" as fears that it could spread south gripped Hong Kong and Macau. Of those so far struck down, 105 are medical workers, said one health department official who refused to be identified. Fifty—nine have recovered and left hospital.

Source: http://www.abc.net.au/news/justin/nat/newsnat-12feb2003-4.ht m

15. February 11, Sydney Morning Herald — Worst case scenario. It's a typical winter's week in Sydney, Australia. A flu-like virus is spreading quickly through homes and workplaces. Many call in sick. They stay home, trying to sweat it out. What nobody knows is that several days earlier, bioterrorist sleeper cells have launched an attack on Australia. Under cover of jobs as building security officers or maintenance workers, they have dispersed anthrax bacteria spores into the ventilation systems of a number of office towers in Australia's largest cities. They don't issue a press release. This is the type of scenario that may result from a biological attack. Emergency Management Australia, the Federal Government's disaster-management agency, says it is unlikely people will know at the time that they are under biological attack. Although Australia has ample, readily available stocks of antibiotics with which to treat anthrax, there's one crucial qualification: treatment has to begin within 24 hours of the symptoms becoming apparent. Wait any longer, and more than 90 per cent of those exposed will die. Anthrax causes death by hemorrhaging, but its initial symptoms fever and malaise possibly accompanied by a cough are identical to those of common flu. Dr Kenneth Mandl, a researcher at Harvard University, estimates it could take up to six days to detect a covert attack. In the U.S., enormous resources have begun to flow into developing systems able to detect chemical and biological agents in the atmosphere, provide early warning of exposure

or infection, and speedily deliver lifesaving antidotes and vaccines. Australia's bioterrorism monitoring still relies substantially on an alert individual somewhere in the system making an astute diagnosis. Pathology labs do not routinely test for anthrax or any other bioterrorism agent. The case for an improved system is growing. Shortly, the federal Health Department will launch a new awareness campaign among GPs, urging them to consider the possibility, albeit remote, that flu–like symptoms, rashes and other commonplace ailments could point to something more serious.

Source: http://www.smh.com.au/articles/2003/02/11/1044927595696.html

16. February 11, Science Daily — Discovery of size changes of Bacillus spores may lead to simpler, faster anthrax detector. The spores of a microbe closely related to anthrax swell with increasing humidity, a physical change that might allow quick and cheap detection of Bacillus spores like anthrax, according to physicists at the University of California, **Berkeley.** The swelling is a surprise to microbiologists, who have assumed that spores of the Bacillus bacteria, which include anthrax (Bacillus anthracis), are a dormant, resting and basically inert stage of the microbe. The swelling, observed of spores of Bacillus thuringiensis, bacteria now often used to kill insects that attack crops, may be diagnostic of all Bacillus spores and may allow scientists to distinguish between different types of Bacillus. "If we are able to discriminate between spores based on size or swelling characteristics, it's a test we could do in seconds to minutes," said Andrew J. Westphal, a research physicist at UC Berkeley's Space Sciences Laboratory. On January 22, the federal government began to deploy environmental monitors to detect airborne bioterrorism agents, including anthrax and smallpox. The system relies on filtering air and sending the filters to a lab, where any attached microbes would be cultured and identified. Even with advanced techniques such as PCR (polymerase chain reaction) to detect microbial genes, the turnaround time would be 12-24 hours. A device to scan for Bacillus spores of a certain size and swelling time could provide an answer in about 10 minutes.

Source: http://www.sciencedaily.com/releases/2003/02/030211072729.ht m

17. February 10, GovExec.com — Better plans needed for emergency drug distribution. The federal government is prepared to quickly move massive quantities of drugs and medical supplies anywhere in the country in the event of a terrorist attack, but it will be up to the states to get those supplies to the people who need them, and many aren't yet up to the task, according to federal and state health officials. Under the National Pharmaceutical Stockpile program, which is jointly managed by the U.S. Centers for Disease Control and Prevention and the Department of Homeland Security, federal officials are poised to move drugs and supplies anywhere in the country within 12 hours. **Under the stockpile program** prepackaged shipments of pharmaceuticals, medical supplies and medical equipment are located throughout the United States for immediate deployment. The 12-hour push packs, so called because they are required to be on location within 12 hours, are designed to provide a range of support in the early hours of an emergency when the threat may not be well understood. In addition to the push packs, the stockpile includes additional supplies or drugs, such as smallpox vaccine, when a specific threat is identified. Distributing the drugs as quickly as they might be needed is another matter altogether. States must be prepared with a cadre of health professionals who can break down the 130 containers that arrive in every push pack and then distribute drugs and supplies. They also need adequate, climate-controlled facilities to store the drugs and supplies. A mass casualty event could

conceivably require hundreds of nurses and pharmacists working around the clock to screen, vaccinate or treat victims of a biological or chemical attack, and then provide follow—up care. Those workers need to be trained (and in some cases vaccinated themselves against certain diseases, such as smallpox) for a range of contingencies in both urban and rural areas.

Source: http://www.govexec.com/dailyfed/0203/021003kp2.htm

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Government Sector

- 18. February 11, Washington Post Terror attack steps urged. Top federal officials on Monday issued their most pointed advice since Sept. 11, 2001, on precautions the public should take against terrorist attacks, warning that every home should be stocked with three days' worth of water and food in case of a strike with chemical, biological or radiological weapons. They also recommended that families consider designating a room where they will gather in the event of such an attack, and have on hand duct tape and heavy plastic sheeting to seal it, as well as scissors, a manual can opener, blankets, flashlights, radios and spare **batteries.** The officials said they believe the al Qaeda terrorist network is particularly targeting New York and Washington. Ranking officials of the Department of Homeland Security told reporters at a briefing that Americans must take some responsibility for protecting themselves, but stressed that people should not feel panicked or abandoned by the government. "We see information on citizen preparedness as prudent planning," said Gordon Johndroe, the department's spokesman. But given al Qaeda's interest in weapons of mass destruction, he said, "It's appropriate for citizens to be informed about how to respond to a terrorist attack, much as people have prepared for years to be ready for tornadoes, hurricanes or floods." While much of the information in yesterday's briefing was previously available on government Web sites, the news conference was an effort by federal officials to call attention to the steps individuals can take to prepare against the possibility of terror attacks.
 - Source: http://www.washingtonpost.com/wp-dvn/articles/A54212-2003Feb 10.html
- 19. February 11, Wall Street Journal States, cities laying off workers as revenue falls. More than 40 states and countless local governments are confronting the worst budget crisis since World War II, primarily due to a drop in tax revenue on the heels of the stock-market plunge. Many are warning that jobs will be cut or privatized to close gaping budget gaps. As Springfield, Mass., Mayor Michael J. Albano, who is eliminating 400 jobs, said at a news conference recently, "I've never seen anything like this." Budgets are still winding their way through legislatures and city councils, so many governments haven't settled on a final number. According to a survey released last week by the Denver-based National Conference of State Legislatures, which said state budget gaps were growing "at an alarming rate," eight states have initiated layoffs this year. Connecticut, for example, has issued about 3,000 layoff notices, and could send out some 850 more by the end of June. Florida Gov. Jeb Bush has proposed cutting nearly 3,000 positions in his state. California has said it will eliminate 10,000 vacant positions and lay off 1,500 workers, with more cuts possible. In all, as many as 150,000 state and local employees could lose their jobs over the next several years, or roughly 10% of the 1.5 million such workers added since 1998, estimates Adrian Moore, vice president of research at Reason Public Policy Institute, a Los Angeles think

tank. The cuts could presage a major shift in the way workers view jobs in state and local government, which had been steadily expanding since the 1930s. Many of these positions offer generous pay and benefits as well as union protection. There are currently about 18.6 million state and local government workers, compared with 2.6 million federal employees, and the latter group actually shrank during the 1990s as jobs were privatized and politicians saw political benefits in restricting the number of federal workers. Meanwhile, the number of state and municipal employees grew by nearly 20% during the flush 1990s.

Source: http://online.wsj.com/article/0,,SB1044914820616726303,00.ht ml

20. February 11, New York Times — FBI and CIA outline threat of al Qaeda. The al Qaeda terrorist network remains a "resourceful, merciless" foe dedicated to committing more attacks against the United States and its interests around the world, the head of the FBI told Congress Tuesday. In a joint appearance before the Senate Intelligence Committee, Robert Mueller and CIA Director George J. Tenet painted a chilling portrait of a fanatical enemy that seeks to use chemical, biological and radiological weapons against Americans and might target lightly guarded places such as shopping malls or universities. Tenet said intelligence points to attacks that could occur this week -- coinciding with the Muslim hajj holy days -possibly using a "dirty bomb" that spews out radiological material. The United States and U.S. interests on the Arabian peninsula appear to be at greatest risk, he said. "The network is extensive and adaptable," Tenet said. "It will take years of determined effort to unravel this and other terrorist networks and stamp them out." There have been many successes in the war on terror, Tenet and Mueller said. More than 3,000 suspected terrorists or sympathizers have been detained and the number of countries involved in the apprehensions is now 100, Tenet said. Equally important is the "trove of information" the United States has gleaned from these captives, he said. In this country, Mueller said, the FBI suspects there are "several hundred" Muslim extremists that focus mainly on fund-raising, recruitment and training. But he said the greatest threat to Americans at home are "al Qaeda cells in the United States that we have not identified." Mueller listed a number of ways terrorists could strike, including poisoning of food and water supplies using cyanide, botulism or ricin – a castor-based poison recently uncovered in a London-based plot. Terrorists could strike at computer systems, or they could assault U.S. railroads, aircraft, oil and gas facilities or power grids, Mueller said. In addition, he said the FBI remains concerned about potential threats from other Islamic extremist groups such as Hezbollah and Hamas - both of which Mueller said appear most interested in continuing their U.S.-based fund-raising **networks rather than using violence.** The unclassified portion of the hearing ended after more than two hours of testimony. Mueller and Tenet were to give the committee a classified briefing on terrorism later in the day.

Source: http://www.nytimes.com/aponline/national/AP-Congress-Terrorism.html

21. February 11, NBC4 — For small fee, Web sites offer fake IDs to anyone. A recent investigation launched by New York's NewsChannel 4 has called into question the security of official identification examined at various security checkpoints. In a matter of days, NewsChannel 4 ordered a phony New York driver's license from a Web site. A NewsChannel 4 producer purchased the fake, submitting to the Web site a picture of a man she called "John Walker," adding: "He doesn't have a driver's license number (please make one up), and also make up an address." However, the picture the producer sent is no ordinary man looking

for a license. He's Khalid Shaikh Mohammed, from the FBI's "22 Most Wanted Terrorists List." Right now, there's a \$25 million reward for his whereabouts. Software, often used by bartenders, designed to verify the authenticity of drivers' licenses approved the phony license NewsChannel bought as valid. David Murray's company makes software designed to check licenses for bartenders. His software said the phony license NewsChannel 4 bought was valid. The producer also showed the fake to James Kallstrom, who used to run the New York office of the FBI and is now a senior security advisor to New York Governor Pataki. He said that with that license, the person could probably fly on a commercial airline, rent a car, and get across the border into the United States. Border crossings are of particular concern since a congressional test last month in which immigration agents failed to stop any of several investigators entering the United States with fake drivers' licenses. Several Internet sites advertise quality fakes. Some even offer a choice of Social Security cards, local community identification, and forged licenses from several states including California, Texas and New York.

Source: http://www.wnbc.com/news/1968841/detail.html

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Emergency Services Sector

22. February 01, New York Magazine — The NYPD's war on terror. Though the New York Police Department's counterterrorism bureau is still in its infancy, law-enforcement officials from around the U.S. and overseas regularly come to see it and learn. And it was all put together practically overnight; ½it opened in February of last year, little more than a month after Ray Kelly was sworn in as police commissioner. The bureau, along with the NYPD's totally revamped intelligence division, and the high-level hires from Washingtoni; ½ lieutenant general from the Pentagon and a former CIA staffer is part of Kelly's vision to remake the NYPD into a force that can effectively respond to the world's dangerous new realities. There are now New York City police officers stationed in London working with New Scotland Yard; in Lyons at the headquarters of Interpol; and in Hamburg, Tel Aviv, and Toronto. There are also two police officers on assignment at FBI headquarters in Washington, and New York detectives have traveled to Afghanistan, Egypt, Yemen, Pakistan, and the military's prison at Guanti; ½namo Bay in Cuba to conduct interrogations. Members of the department's command staff have also attended sessions at the Naval War College in Newport, Rhode Island. And there are the Hercules Teams, elite, heavily armed, Special Forcesi; ½ type police units that pop up daily around the city. It can be at the Empire State Building, the Brooklyn Bridge, Times Square, or the stock exchange, wherever the day's intelligence reports suggest they could be needed. These small teams arrive in black Suburbans, sheathed in armor-plated vests and carrying 9-mm. submachine gunsï;½sometimes with air or sea support. Their purpose is to intimidate and to very publicly mount a show of force. Kelly knows that terrorists do a lot of reconnaissance, and the Hercules Teams were designed to disrupt their planning. Like an ADT warning sign in front of a house, they're also intended to send a message that this is not an easy target. The police commissioner now has what's called an STU (Secured Telephone Unit) on his desk. It is a phone line that enables him to talk to someone in the White House or the Pentagon without fear of being monitored. When a key on the phone is turned, the conversation is electronically encrypted. "We are doing all these things," Kelly says over coffee in his

fourteenth—floor office at police headquarters, "because New York is still the No. 1 target. We have been targeted four times, twice successfully, and the city remains the most symbolic, substantive target for the terrorists. These are cunning, patient, deliberate people who want to kill us and kill us in big numbers."

Source: http://www.newyorkmetro.com/nymetro/news/features/n 8286/

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Information and Telecommunications Sector

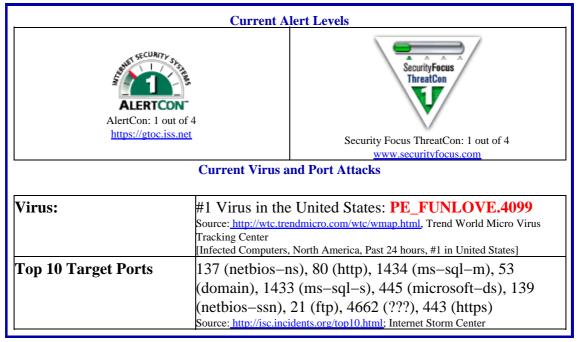
23. February 11, NIPC — Advisory 03–002: National Infrastructure Protection Center "Encourages Heightened Cyber Security as Iraq – US Tensions Increase". The NIPC is issuing this advisory to heighten the awareness of an increase in global hacking activities as a result of the increasing tensions between the United States and Iraq. Attacks may have one of several motivations: 1) Political activism targeting Iraq or those sympathetic to Iraq by self-described "patriot" hackers; 2) Political activism or disruptive attacks targeting United States systems by those opposed to any potential conflict with Iraq; 3) Criminal activity masquerading or using the current crisis to further personal goals. Regardless of the motivation, the NIPC reiterates such activity is illegal and punishable as a felony. The U.S. Government does not condone so-called "patriotic hacking" on its behalf. Further, even patriotic hackers can be fooled into launching attacks against their own interests by exploiting malicious code that purports to attack the other side when in fact it is designed to attack the interests of the side sending it. During times of potentially increased cyber disruption, owners/operators of computers and networked systems should review their defensive postures and procedures and stress the importance of increased vigilance in system monitoring.

Source: http://www.nipc.gov/warnings/advisories/2003/03-002.htm

24. February 10, IDG News Service — European cybersecurity agency proposed. The European Commission Monday proposed the creation of a Europe-wide network and information security agency. The European Network and Information Security Agency is to serve as an advice center for the fifteen member states on matters relating to cybersecurity, such as computer viruses, Erkki Liikanen, commissioner for the information society, said. Until now, viruses have largely been propagated by young individuals and amateurs, but in the post-September 11 era there is a risk of worse attacks, he said. Mobile Internet connections, through mobile phones in particular, are expected to increase the risk of serious attacks, Liikanen said. The Commission has earmarked a �24.3 million (\$26.3 million) budget for the agency over a five-year period, with an additional \$9 million planned to include the 10 new member states, mainly from Central Europe, in May 2004. Individual member states have already established crisis units (known as Computer Emergency Response Teams) in an effort to cope with increasing cyber crime. However, the current system lacks central coordination. The agency is due to start operating next January. The governments of the 15 member states will decide on a location later this year, Liikanen said.

Source: http://www.nwfusion.com/news/2003/0210europcyber.html

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General Sector

25. February 11, Associated Press — Bin Laden tape urges Iraqi suicide bombs. An audio tape purported to carry the voice of Osama bin Laden called on Iraqis to carry out suicide attacks against Americans and defend themselves against a U.S. attack. The tape was broadcast on the Al-Jazeera Arab satellite station on Tuesday, the first day of the Muslim holiday Eid al-Adha. The speaker also urged Iraqis to dig trenches and engage in urban warfare to fend off U.S. troops. "We stress the importance of martyrdom operations against the enemy, these attacks that have scared Americans and Israelis like never before," the speaker said, using a term often used by militants for suicide attacks. The speaker on the 16-minute audiotape, purported to be bin Laden, said the United States was waging a psychological war against Iraq and said Iraqis should expect massive bombardment from the air. He urged the Iraqis to stay strong against a U.S. attack and blunt the force of a U.S. aerial assault by "digging large numbers of trenches and camouflaging them." He described al Qaeda fighters in Afghanistan withstanding heavy U.S. bombardment by hiding in trenches. "With all the might of the enemy, they were unable to defeat us and take over that position. ... We hope that our brothers in Iraq will do the same as we did." "We advise about the importance of drawing the enemy into long, close and tiring fighting taking advantage of camouflaged positions in plains, farms, mountains and cities," he said. He added that the enemy is terrified about urban warfare "because they will have big casualties." The last Bin Laden tape aired on Nov. 12 on Al-Jazeera. bin Laden, in the statement, promised new terrorist attacks. Source:

http://news.yahoo.com/news?tmpl=story2u=/ap/20030211/ap on re mi ea/bin laden tape

26. February 10, Associated Press — Man arrested under anti-terrorism legislation after

arriving in Britain on Eurostar. A 25-year-old man was arrested under anti-terrorism legislation after arriving in Britain on a Eurostar train from France, police said Tuesday. The suspect was arrested at the international rail terminal at Waterloo station in south London on Feb. 6, London's Metropolitan Police said in a statement. He had traveled to Britain on one of the regular cross-Channel services from Paris and was arrested by Special Branch officers under the Terrorism Act 2000. The man, who has not been charged, is being held in a central London police station, the statement added. Scotland Yard declined to comment on a report in The Sun tabloid that the man was Algerian and his seizure was a result of co-operation between French and British security services. The Terrorism Act 2000 allows police to question suspects for up to seven days, after which they must either be charged or released.

Source: http://story.news.yahoo.com/news?tmpl=story p_wo_en_po/eu_gen_britain_terror_arrest_1

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To report any incidents or to request information from NIPC, contact the NIPC Watch at <u>nipc.watch@fbi.gov</u> or call 202–323–3204.

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